

August 10, 2009

Board of Governors of the Federal Reserve  
20<sup>th</sup> & C Streets BW  
Washington, DC 20551  
To the Honorable Board of Governors:

I am the President/CEO of Select Employees Federal Credit Union which represents 5700 members.

This letter relates to the changes brought on by the Credit Card Accountability, Responsibility and Disclosure Act of 2009.

Our Credit Union, which has been in business for 70 years, has offered both credit cards and Open End loans for many years. I understand and agree why the changes to the Credit Card programs were made even though our Credit Union and most credit unions do not engage in unscrupulous and predatory practices as those of some credit card companies. Thus, our Credit Union has no problem complying with the Act as relates to credit cards and currently meets the requirement of sending monthly statements more than 21 days prior to the due date.

However, the extension of the law to all Open End Loans creates an extremely costly and difficult burden that seems unfair to credit unions and their members. Additionally, the required changes will result in much confusion as our members are very comfortable with setting their convenient due dates and frequency of payments on their respective loans.

Our data processor is scrambling to meet the deadline and may not be ready to assist us with compliance. Should this occur, the Credit Union may be forced to go with an outside vendor to create the special statements and disclosures which will present more unexpected expenses. We face the difficult choice of resetting all payment due dates to the end-of-month as our members appreciate the ability to choose their payment dates. Many of our members choose to voluntarily pay on their payroll dates, i.e. weekly, biweekly and/or semi-monthly. I cannot see how we can conduct a 21 day notice mailing program for them that make any sense and one that will not create chaos.

Our Open End Lending Program is consumer friendly, easy to understand and efficient. I believe it has improperly been included in a law designed to curb lending abuses.

I am asking the Board to allow our Credit Union several months to implement the interim final rule so that we can sort out these complex issues and properly prepare the members for any change that may be necessary on their part in order for the credit union to be compliant.

Your consideration to our request and that of hundreds of other Credit Unions is vital to our daily operations and keeping our operating costs to a minimum.

Regards,

BELINDA BARRERA-MCDANIEL  
PRESIDENT/CEO